



Short course: Understanding international trade agreements: Examining the African Continental Free Trade Agreement Report 22-24 July 2019

tralac hosted its first Short Course on Understanding International Trade Agreements: Examining the African Continental Free Trade Area (AfCFTA) from 22 to 24 July 2019. The course sought to build capacity for reading and understanding international trade agreements. The participants included international trade practitioners (lawyers, economists and customs officials) from Cameroon, Nigeria, Kenya, Ethiopia, South Africa, Malawi, Zambia and Zimbabwe. Some of the participants have been or are involved in the negotiations of the AfCFTA and the Tripartite Free Trade Area.

The course kicked off with tralac Executive Director, Trudi Hartzenberg and tralac Associate, Professor Gerhard Erasmus discussing the basics of international trade including, *inter alia*, why and how do nations trade, international trade theories, and the developments in global trade policy. Further, they discoursed international trade governance focusing on various aspects including, *inter alia*, the role of law and institutions (and domestic rules) on the implementation of trade agreements.

On the second day, South Africa's Chief Negotiator in the AfCFTA Negotiations, Wamkele Mene provided a background and update of the AfCFTA. Wamkele told the participants that the AfCFTA Agreement has entered into force (since 30 May 2019) but negotiation of some phase 1 issues (i.e. tariff concessions, rules of origin and services sector commitments) ongoing. He also disclosed that phase 2 negotiations (on investment, intellectual property rights and competition policy) will commence before the end of this year. Wamkele further discussed the operational tools to support the implementation of the AfCFTA: African Trade Observatory; the Pan-African Digital Payments and Settlement Platform with the AfCFTA; Continental Mechanism for Reporting, Monitoring and Elimination of Non-Tariff Barriers (NTBs) within the

AfCFTA; and an Online Portal where member states upload their tariff offers. Wamkele further discussed the AfCFTA in the broader context of Africa's integration plan particularly the relationship between Regional Economic Communities, the other trading arrangements and the AfCFTA.

On the same day, Professor Erasmus examined how and when do trade agreements enter into force. In particular, he discussed the adoption, signing, ratification and accession processes and their implications with reference to the AfCFTA Agreement. He further explained what happens after a trade agreement has entered into force specifically the domestic procedures by state parties to implement the provisions or obligations of the trade agreement.

On the third and final day, Professor Erasmus examined Africa's trade relations with external partners including the Africa Growth and Opportunity Act and the Economic Partnership Agreements. He also discussed the implications of Brexit on Africa's future trade relations with the United Kingdom and the European Union. Thereafter, tralac Researcher, Talkmore Chidede provided a legal and technical analysis of the Non-Tariff Barriers (NTBs) regime under the AfCFTA and Tripartite Free Trade Area its shortcomings in effectively addressing NTBs across the continent.

During the course several key issues were noted:

- i) International trade agreements are complex inter-state agreements – which have to be read and interpreted with care
- ii) The AfCFTA Agreement has entered into force while key elements of the free trade area (tariff concession and rules of origin, for trade in goods and sector commitments for the priority services sectors) are still being.
- iii) There is need for more clarity and awareness of the AfCFTA arrangement.
- iv) The success of the AfCFTA depends on the subsequent follow actions by member states at national levels.